

CITY OF BAXTER SPRINGS, KANSAS

Annual Financial Report

For the year December 31, 2015

MENSE, CHURCHWELL & MENSE, P.C.
Certified Public Accountants

CITY OF BAXTER SPRINGS, KANSAS

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To the Mayor and City Council
City of Baxter Springs, Kansas

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of City of Baxter Springs, Kansas, as of and for the year ended December 31, 2015 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the City of Baxter Springs, Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Baxter Springs, Kansas as of December 31, 2015, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Baxter Springs, Kansas as of December 31, 2015, and the aggregate receipts and expenditures for the year ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

Other Matters

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget and individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedules 1 and 2 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the

basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

A handwritten signature in blue ink, appearing to read "Mense, Churchwell & Mense", is positioned above the firm's name.

Mense, Churchwell & Mense, P.C.
Certified Public Accountants

Joplin, Missouri
August 15, 2016

CITY OF BAXTER SPRINGS, KANSAS
Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2015

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:							
General	\$ 353,576	\$ -	\$ 1,694,947	\$ 1,640,106	\$ 408,417	\$ 73,855	\$ 482,272
Special Purpose Funds							
Transient Guest	4,978	-	6,555	2,523	9,010	-	9,010
Park Development	232	-	22	133	121	-	121
Special Highway	179,549	-	107,646	106,838	180,357	-	181,373
Library	12,194	-	109,527	109,527	12,194	1,016	12,194
Library Employee Benefits	1,583	-	16,617	16,617	1,583	-	1,583
Recreation	17,926	-	3,287	15,000	6,213	-	6,213
Museum	5,549	-	72,696	72,696	5,549	-	5,549
Industrial Development	1,475	-	16	-	1,491	-	1,491
Special Liability	101,640	-	135	8,661	93,114	-	93,114
Municipal Equipment	4,250	-	-	-	4,250	-	4,250
Capital Improvement	50,199	-	-	-	50,199	-	50,199
Drug Forfeiture	419	-	-	-	419	-	419
Law Enforcement Grant	1,334	-	-	1,334	-	-	-
Employee Benefits	68,230	-	470,885	410,067	129,048	-	129,048
Refuse	35,825	-	225,045	216,886	43,984	-	43,984
Special Parks and Recreation	18	-	42	-	60	-	60
Disaster	-	-	346	-	346	-	346
Fire Ordinance 711	-	-	2,250	2,250	-	-	-
Memorial Fund	592	-	13,315	13,731	176	-	176
Bond and Internet Funds							
Debt Service	28,026	-	357,883	353,721	32,188	-	32,188
Business Funds:							
Water	76,793	-	815,798	946,770	(54,179)	16,997	(37,182)
Sewer	1,253,363	-	426,628	276,976	1,403,015	8,849	1,411,864
Cable Television	(353,325)	-	851,796	1,009,211	(510,740)	38,983	(471,757)
Trust Funds:							
Cemetery Perpetual Care	64,160	-	234	-	64,394	-	64,394
Total Reporting Entity	\$ 1,908,586	\$ -	\$ 5,175,670	\$ 5,203,047	\$ 1,881,209	\$ 139,700	\$ 2,020,909
Composition of Cash:							
					Checking Account - American Bank		\$ 1,915,476
					Checking Account - Baxter State Bank		543
					Cash on Hand		1,166
					Cash on Hand with State Treasurer		103,724
					Total Reporting Entity		\$ 2,020,909

The notes to the financial statement are an integral part of this statement.

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I.A. INTRODUCTION

The City of Baxter Springs, Kansas, was incorporated in 1858 and operates as a second class city under the Statutes of the State of Kansas, (KSA 14-101 et. seq.). The City operates under a Mayor-Council form of government. Major services provided by the City include: Public Safety - Police and Fire, Highways and Streets, Sanitation, Health and Social Services, Culture - Recreation, Public Improvements, Planning and Zoning, and General Administrative Services. In addition, the City provides Water, Sewer and Cable Television Utility Services.

I.B. MUNICIPAL FINANCIAL REPORTING ENTITY

This financial statement presents the City of Baxter Springs, Kansas, (the municipality) as defined in K.S.A. 75-1117. The municipal financial reporting entity includes the municipality and any included related municipal entities. A related municipal entity is any legally separate municipal organization which was established to benefit the municipality or its' constituents.

A description of each related municipal entity and its relationship to the municipality is disclosed below for informational purposes. These entities are not included in the City's financial statement.

The following paragraphs briefly describe each related municipal entity addressed in defining the municipal financial reporting entity. Further information regarding these entities, their financial statements, and/or operations may be obtained by contacting the entities directly.

1. Library Board. The City of Baxter Springs Library Board operates the City's public library. Acquisition or disposition of real property by the Board must be approved by the City. Bond issuances must also be approved by the City.
2. Recreation Commission. The City of Baxter Springs Recreation Commission oversees recreation activities. The Recreation Commission operates as a separate governing body but the City levies taxes for the recreation commission and the recreation commission has only the powers granted by statute, K.S.A. 12-1928.
3. Museum Board. The City of Baxter Springs Museum Board oversees the museum. The City levies taxes for the Museum Board.

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I.C. Regulatory Basis Fund Types

The accounts of the City are organized into funds each of which is considered to be a separate accounting entity. The operations of each fund is summarized by providing a separated set of self-balancing accounts. The following funds are used by the City:

General Fund—the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Fund—used to account for the proceeds of specific tax levies and other specific receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund—used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital Project Fund—used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Business Fund—funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund etc.)

Trust Fund—funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.)

Agency Fund—funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.)

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I.D. BASIS OF ACCOUNTING

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The municipality has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the regulatory basis of accounting.

I.E. BUDGETARY INFORMATION

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget.

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I.E. BUDGETARY INFORMATION (CONTINUED)

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose fund:

Special Liability Fund
Municipal Equipment Fund
Capital Improvement Fund
Law Enforcement Grant Fund

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

I.F. ASSETS AND LIABILITIES

I.F.1. Cash and Investments

The City pools cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pool cash accounts is available to meet current operating requirements. Cash in excess of current requirements is invested in time deposits.

Additional cash and investment information is presented in Note III.A.

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I.F. ASSETS AND LIABILITIES (CONTINUED)

I.F.2. Compensated Absences

The City's policies regarding vacation and sick pay permit employees to accumulate a maximum of four weeks of vacation time and a maximum of 120 hours of sick pay. Vacation time is paid to employees upon termination. Sick leave is forfeited upon termination. At December 31, 2015, management estimates that the value of accumulated vacation to not be material.

I.G. RECEIPTS AND EXPENDITURES

I.G.1. Sales Tax

The City of Baxter Springs, Kansas levies a sales tax on taxable sales within the City. The tax is collected by the Kansas Department of Revenue and remitted to the City. The tax is placed in the General Fund to provide city services.

I.G.2. Property Tax

Property taxes are an enforceable lien on property as of January 1. Taxes are levied on November 1 and are due and payable one-half on December 20th and one-half on May 10th of the ensuing year. Unpaid taxes become delinquent after the due dates.

The assessed valuation of tangible property for the calendar year 2015 for the purposes of taxation was \$19,872,787.

The tax levy per \$100.00 of assessed valuation of tangible property for the calendar year was \$5.00. The levy is composed of the sum of the legal tax levies for all funds with authorized levies.

Collection of current year property tax by the County Treasurer is not completed, apportioned, nor distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. These taxes are used to finance budgeted expenditures for the succeeding year in accordance with Kansas Statutes.

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I.G. RECEIPTS AND EXPENDITURES (CONTINUED)

I.G.3. Reimbursements

A reimbursement is an expenditure initially made in one fund, but properly attributable to another fund. For example, it is common for the general fund to pay a vendor's bill and have portions of it reimbursed by other funds. In accounting for such reimbursements, the City records an expenditure in the reimbursing fund, and a receipt in the reimbursed fund. For purposes of budgetary comparisons, the amount is shown as a qualifying budget credit in the reimbursed fund.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

II.A. COMPLIANCE WITH FINANCE-RELATED LEGAL AND CONTRACTUAL PROVISIONS

The Clerk does not maintain a record of each fund's indebtedness or the budget balance available for appropriation. (KSA 10-1117 and KSA 79-2934)

The Cable Television Fund expenditures exceeded the budget (K.S.A. 79-2935).

The Water and Cable Television Funds had deficit cash/unencumbered cash balances at the end of the year. (KSA 10-1113 and KSA 10-1121).

III. DETAILED NOTES ON FUNDS AND ACCOUNTS

III.A. Deposits and Investments

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. Government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2015

III. DETAILED NOTES ON FUNDS AND ACCOUNTS (CONTINUED)

III.A. Deposits and Investments (Continued)

Concentration of credit risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City does not designate "peak periods". All deposits were legally secured at December 31, 2015.

At December 31, 2015, the City's carrying amount of deposits was \$1,916,019 and the bank balance was \$1,934,394. Ninety-nine percent of the bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,583 was covered by federal depository insurance and \$1,683,811 was secured by securities held by the pledging financial institutions' agents but not in the City's name.

III.A.1. Restricted Assets

The following amounts in the following funds are restricted as follows:

General Fund -	
Municipal Court Bonds	\$ 8,168
Vehicle Inspection Fees	
(Law Enforcement)	<u>12,670</u>
	<u>\$ 20,838</u>

CITY OF BAXTER SPRINGS, KANSAS
Notes to the Financial Statements
December 31, 2015

IV. LONG-TERM DEBT

Changes in long-term liabilities for the City of Baxter Springs, Kansas for year ended December 31, 2015 were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds:									
Series 2012	.40-1.75%	11/15/2012	\$ 1,805,000	8/1/2022	\$ 1,600,000	\$ -	\$ 190,000	\$ 1,410,000	\$ 18,302
Series 2013	.50-3.25%	9/15/2013	\$ 1,390,000	12/1/2024	1,255,000	-	120,000	1,135,000	25,419
Total General Obligation Bonds					\$ 2,855,000	\$ -	\$ 310,000	\$ 2,545,000	\$ 43,721
KDHE Loans:									
Sewer Project	3.57%	4/11/2000	\$ 622,243	9/1/2021	\$ 237,935	\$ -	\$ 33,140	\$ 204,795	\$ 8,201
Total KDHE Loans					\$ 237,935	\$ -	\$ 33,140	\$ 204,795	\$ 8,201
Capital Leases Payable:									
Fire Truck	4.85%	5/12/2006	\$ 294,830	5/12/2016	\$ 70,629	\$ -	\$ 34,478	\$ 36,151	\$ 3,426
Street Truck	2.50%	1/29/2013	\$ 40,096	1/31/2016	14,807	-	13,686	1,121	213
Police & Code Enforcement Truck	2.50%	2/27/2013	\$ 51,598	2/27/2016	20,522	-	17,558	2,964	312
Fire Truck	2.50%	1/3/2013	\$ 34,349	1/31/2016	12,718	-	11,739	979	183
Public Works Backhoe	2.75%	7/22/2015	\$ 69,950	7/22/2018	-	69,950	-	69,950	-
Fire Airpicks and Equipment	2.95%	4/16/2015	\$ 119,070	4/16/2020	-	119,070	-	119,070	-
Total Capital Leases Payable					\$ 118,676	\$ 189,020	\$ 77,461	\$ 230,235	\$ 4,134
Total Contractual Indebtedness					\$ 3,211,611	\$ 189,020	\$ 420,601	\$ 2,980,030	\$ 56,056

CITY OF BAXTER SPRINGS, KANSAS
Notes to the Financial Statements
December 31, 2015

IV. LONG-TERM DEBT (CONTINUED)

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	Year						
	2016	2017	2018	2019	2020	2021-2024	Total
Principal:							
General Obligation Bonds	\$315,000	\$320,000	\$ 325,000	\$330,000	\$ 335,000	\$ 920,000	\$2,545,000
KDHE Loans	34,333	35,570	36,851	38,179	39,554	20,308	204,795
Capital Leases	86,352	46,423	47,746	24,496	25,218	-	230,235
Total Principal	\$435,685	401,993	\$ 409,597	\$392,675	\$ 399,772	\$ 940,308	\$2,980,030
Interest:							
General Obligation Bonds	\$ 41,564	\$ 38,853	\$ 35,342	\$ 30,925	\$ 25,644	\$ 41,067	\$ 213,395
KDHE Loans	7,007	5,771	4,490	3,162	1,787	361	22,578
Capital Leases	7,202	4,150	2,827	1,466	744	-	16,389
Total Interest	\$ 55,773	\$ 48,774	\$ 42,659	\$ 35,553	\$ 28,175	\$ 41,428	\$ 252,362
Total Principal and Interest	\$491,458	\$450,767	\$ 452,256	\$428,228	\$ 427,947	\$ 981,736	\$3,232,392

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2015

V. CONDUIT DEBT

To provide for capital improvements, the City of Baxter Springs, Kansas issued Industrial Revenue Bonds, (Atec Steel, L.L.C.) Series 2007, in the amount of \$3,000,000.00. The bonds are special limited obligations of the City, and payable solely from revenues derived from certain fees, rentals, revenues and other amounts derived by the City from a lease between the City and Atec Steel, L.L.C. The bonds do not constitute an indebtedness of the City or a pledge of the general credit or taxing powers of the City; and accordingly, have not been reported in the accompanying financial statements.

The amount of bonds outstanding for this issue at December 31, 2015 was \$1,355,685.

VI. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of; damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City manages these various risks by carrying commercial insurance. There have been no significant reductions in insurance coverage. Settlements have not exceeded insurance coverage for the current or three prior years.

VII. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
Water Fund	Debt Service Fund	KSA 12-825d	\$ 207,756
Cable Television Fund	Debt Service Fund	KSA 12-825d	145,419
Law Enforcement Grant	General		1,333

VIII. PENSION PLAN

Plan description

The City of Baxter Springs, Kansas participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publically available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2015

VIII. PENSION PLAN (CONTINUED)

Contributions

K.S.A. 74-4919 and 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, KPERS 2 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1 and KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 0.85% contribution rate for Death and Disability Program) and the statutory contribution rate was 9.48% for the fiscal year ended December 31, 2015. Contributions to the pension plan from City of Baxter Springs, Kansas were \$115,533 for the year ended December 31, 2015.

Net Pension Liability

At December 31, 2015, the City of Baxter Springs, Kansas's proportionate share of the collective net pension liability reported by KPERS was \$951,878. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014, which was rolled forward to June 30, 2015. The City of Baxter Springs, Kansas's proportion of the net pension liability was based on the ratio of the City of Baxter Springs, Kansas's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2015

IX. OTHER POST EMPLOYMENT BENEFITS

As provided by K.S.A. 12-540, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

X. LITIGATION

The City is party to various proceedings which normally occur in governmental operations. While the outcome of such proceedings cannot be predicted, due to insurance maintained by the City, the City feels that any settlement or judgment not covered by insurance could not have a material adverse effect on the financial condition of the City.

XI. GRANT PROGRAM INVOLVEMENT

In the normal course of operations, the City participates in various federal and state grant/loan programs from year to year. The grant/loan programs are often subject to additional audits by agents of the granting or loaning agency, the purpose of which is to ensure compliance with the specific conditions of the grant or loan. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

XII. SUBSEQUENT EVENTS

Management has evaluated the effects on the financial statement of subsequent events occurring through the date of this report, which is the date at which the financial statement was available to be issued.

On August 1, 2016, the City sold the Cable Television Utility System for \$760,000.

**REGULATORY – REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF BAXTER SPRINGS, KANSAS

Summary of Expenditures - Actual and Budget

Regulatory Basis

For the Year ended December 31, 2015

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
General Funds:					
General	\$ 1,719,015	\$ -	\$ 1,719,015	\$ 1,640,106	\$ (78,909)
Special Purpose Funds:					
Transient Guest	20,902	-	20,902	2,523	(18,379)
Park Development	254	-	254	133	(121)
Special Highway	188,500	-	188,500	106,838	(81,662)
Library	115,089	-	115,089	109,527	(5,562)
Library Employee Benefits	17,333	-	17,333	16,617	(716)
Recreation	15,000	-	15,000	15,000	-
Museum	74,262	-	74,262	72,696	(1,566)
Industrial Development	4,417	-	4,417	-	(4,417)
Drug Forfeiture	919	-	919	-	(919)
Employee Benefits	513,345	-	513,345	410,067	(103,278)
Refuse	272,000	-	272,000	216,886	(55,114)
Fire Ordinance 711	22,500	-	22,500	2,250	(20,250)
Memorial	57,897	-	57,897	13,731	(44,166)
Bond and Internet Funds:					
Debt Service	379,722	-	379,722	353,721	(26,001)
Business Funds:					
Water	1,134,303	-	1,134,303	946,770	(187,533)
Sewer	578,182	-	578,182	276,976	(301,206)
Cable Television	913,719	-	913,719	1,009,211	95,492

CITY OF BAXTER SPRINGS, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2015

	Actual	Budget	Variance - Over (Under)
Receipts:			
Taxes and Shared Receipts:			
Ad Valorem Property Tax	\$ 298,825	\$ 306,435	\$ (7,610)
Delinquent Tax	13,943	10,700	3,243
Motor Vehicle Tax	24,419	21,409	3,010
Commercial Vehicle Tax	241	-	241
Watercraft Tax	156	-	156
Recreational Vehicle Tax	133	140	(7)
16/20 M Vehicle Tax	67	80	(13)
Sales Tax	781,246	762,527	18,719
Local Alcohol Liquor Tax	63	-	63
Fines	183,389	120,000	63,389
Community Building Fees	2,690	3,600	(910)
Vehicle Inspection Fees	8,550	9,000	(450)
Sale of Cemetery Lots	1,326	2,000	(674)
Grave Opening	11,400	11,000	400
Franchise Fees	225,426	279,181	(53,755)
Permits	1,485	1,000	485
Liquor Licenses	600	500	100
Cereal Malt Beverage Licenses	975	650	325
Swimming Pool Receipts	16,514	-	16,514
Animal Tags	266	200	66
Park and Camping Fees	4,010	2,000	2,010
Mowing and Weed Notices	490	1,000	(510)
Donations	12,060	-	12,060
Other	79,666	20,000	59,666
Ambulance Fuel Reimbursement	265	17,000	(16,735)
School Officer Reimbursement	22,016	-	22,016
Interest	336	350	(14)
Charges for Mowing and Demolition	3,056	6,500	(3,444)
Operationg Transfers	1,334	-	1,334
Total Receipts	<u>\$ 1,694,947</u>	<u>\$ 1,575,272</u>	<u>\$ 119,675</u>
Expenditures:			
City Clerk	\$ 56,894	\$ 56,000	\$ 894
Police	762,905	765,218	(2,313)
Fire	154,434	178,629	(24,195)
Street	413,708	436,598	(22,890)
Community Services	14,222	16,550	(2,328)
Cemetery	67,259	86,675	(19,416)
Code Enforcement	32,244	49,150	(16,906)
Community Center	18,059	20,300	(2,241)
Swimming Pool	38,786	28,300	10,486
Capital Lease - Street Truck	13,899	13,899	-
Capital Lease - Fire Truck	37,904	37,904	-
Capital Lease - Fire Truck	11,922	11,922	-
Capital Lease - Police Truck	14,892	17,870	(2,978)
Capital Lease - Code Enforcemnt Truck	2,978	-	2,978
Total Expenditures	<u>\$ 1,640,106</u>	<u>\$ 1,719,015</u>	<u>\$ (78,909)</u>
Receipts Over (Under) Expenditures	\$ 54,841		
Unencumbered Cash-Beginning	<u>353,576</u>		
Unencumbered Cash-End	<u>\$ 408,417</u>		

CITY OF BAXTER SPRINGS, KANSAS
Transient Guest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2015

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
Receipts:			
Guest Tax	<u>\$ 6,555</u>	<u>\$ 12,000</u>	<u>\$ (5,445)</u>
Total Receipts	<u>\$ 6,555</u>	<u><u>\$ 12,000</u></u>	<u><u>\$ (5,445)</u></u>
Expenditures:			
Convention and Tourism	<u>\$ 2,523</u>	<u>\$ 20,902</u>	<u>\$ (18,379)</u>
Total Expenditures	<u>\$ 2,523</u>	<u><u>\$ 20,902</u></u>	<u><u>\$ (18,379)</u></u>
Receipts Over (Under) Expenditures	\$ 4,032		
Unencumbered Cash-Beginning	<u>4,978</u>		
Unencumbered Cash-End	<u><u>\$ 9,010</u></u>		

CITY OF BAXTER SPRINGS, KANSAS
Park Development Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2015

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
Receipts:			
Interest	\$ 22	\$ 11	\$ 11
Total Receipts	<u>\$ 22</u>	<u>\$ 11</u>	<u>\$ 11</u>
Expenditures:			
Recreation	\$ 133	\$ 254	\$ (121)
Total Expenditures	<u>\$ 133</u>	<u>\$ 254</u>	<u>\$ (121)</u>
Receipts Over (Under) Expenditures	\$ (111)		
Unencumbered Cash-Beginning	<u>232</u>		
Unencumbered Cash-End	<u>\$ 121</u>		

CITY OF BAXTER SPRINGS, KANSAS
Special Highway Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2015

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
Receipts:			
State of Kansas Gas Tax	\$ 107,646	\$ 107,030	\$ 616
Interest	<u>-</u>	<u>3</u>	<u>(3)</u>
Total Receipts	<u>\$ 107,646</u>	<u>\$ 107,033</u>	<u>\$ 613</u>
Expenditures:			
Public Works	<u>\$ 106,838</u>	<u>\$ 188,500</u>	<u>\$ (81,662)</u>
Total Expenditures	<u>\$ 106,838</u>	<u>\$ 188,500</u>	<u>\$ (81,662)</u>
Receipts Over (Under) Expenditures	\$ 808		
Unencumbered Cash-Beginning	<u>179,549</u>		
Unencumbered Cash-End	<u>\$ 180,357</u>		

CITY OF BAXTER SPRINGS, KANSAS

Library Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year ended December 31, 2015

	Actual	Budget	Variance - Over (Under)
Receipts:			
Taxes and Shared Receipts:			
Ad Valorem Property Tax	\$ 88,838	\$ 91,149	\$ (2,311)
Delinquent Tax	6,128	3,000	3,128
Motor Vehicle Tax	14,208	13,175	1,033
Commercial Vehicle Tax	146	-	146
Watercraft Tax	96	-	96
Recreational Vehicle Tax	80	87	(7)
16/20 M Vehicle Tax	31	50	(19)
Total Receipts	<u>\$ 109,527</u>	<u>\$ 107,461</u>	<u>\$ 2,066</u>
Expenditures:			
Appropriations to Library Board	<u>\$ 109,527</u>	<u>\$ 115,089</u>	<u>\$ (5,562)</u>
Total Expenditures	<u>\$ 109,527</u>	<u>\$ 115,089</u>	<u>\$ (5,562)</u>
Receipts Over (Under) Expenditures	\$ -		
Unencumbered Cash-Beginning	<u>12,194</u>		
Unencumbered Cash-End	<u>\$ 12,194</u>		

CITY OF BAXTER SPRINGS, KANSAS
Library Employee Benefits Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2015

	Actual	Budget	Variance - Over (Under)
Receipts:			
Taxes and Shared Receipts:			
Ad Valorem Property Tax	\$ 13,491	\$ 13,850	\$ (359)
Delinquent Tax	937	500	437
Motor Vehicle Tax	2,136	1,991	145
Commercial Vehicle Tax	22	-	22
Watercraft Tax	14	-	14
Recreational Vehicle Tax	12	13	(1)
16/20 M Vehicle Tax	5	8	(3)
Total Receipts	<u>\$ 16,617</u>	<u>\$ 16,362</u>	<u>\$ 255</u>
Expenditures:			
Appropriations to Library Board	<u>\$ 16,617</u>	<u>\$ 17,333</u>	<u>\$ (716)</u>
Total Expenditures	<u>\$ 16,617</u>	<u>\$ 17,333</u>	<u>\$ (716)</u>
Receipts Over (Under) Expenditures	\$ -		
Unencumbered Cash-Beginning	<u>1,583</u>		
Unencumbered Cash-End	<u>\$ 1,583</u>		

CITY OF BAXTER SPRINGS, KANSAS
 Recreation Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year ended December 31, 2015

	Actual	Budget	Variance - Over (Under)
Receipts:			
Taxes and Shared Receipts:			
Ad Valorem Property Tax	\$ 1	\$ -	\$ 1
Delinquent Tax	938	500	438
Motor Vehicle Tax	2,295	1,752	543
Commercial Vehicle Tax	20	-	20
Watercraft Tax	13	-	13
Recreational Vehicle Tax	12	12	-
16/20 M Vehicle Tax	8	7	1
Total Receipts	<u>\$ 3,287</u>	<u>\$ 2,271</u>	<u>\$ 1,016</u>
Expenditures:			
Appropriation to Recreation Commission	<u>\$ 15,000</u>	<u>\$ 15,000</u>	<u>\$ -</u>
Total Expenditures	<u>\$ 15,000</u>	<u>\$ 15,000</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	\$ (11,713)		
Unencumbered Cash-Beginning	<u>17,926</u>		
Unencumbered Cash-End	<u>\$ 6,213</u>		

CITY OF BAXTER SPRINGS, KANSAS

Museum Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year ended December 31, 2015

	Actual	Budget	Variance - Over (Under)
Receipts:			
Taxes and Shared Receipts:			
Ad Valorem Property Tax	\$ 59,580	\$ 61,134	\$ (1,554)
Delinquent Tax	3,718	1,600	2,118
Motor Vehicle Tax	9,168	8,635	533
Commercial Vehicle Tax	95	-	95
Watercraft Tax	63	-	63
Recreational Vehicle Tax	53	57	(4)
16/20 M Vehicle Tax	19	33	(14)
Total Receipts	<u>\$ 72,696</u>	<u>\$ 71,459</u>	<u>\$ 1,237</u>
Expenditures:			
Appropriation to Museum Bond	<u>\$ 72,696</u>	<u>\$ 74,262</u>	<u>\$ 1,566</u>
Total Expenditures	<u>\$ 72,696</u>	<u>\$ 74,262</u>	<u>\$ 1,566</u>
Receipts Over (Under) Expenditures	\$ -		
Unencumbered Cash-Beginning	<u>5,549</u>		
Unencumbered Cash-End	<u>\$ 5,549</u>		

CITY OF BAXTER SPRINGS, KANSAS
Industrial Development Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2015

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
Receipts:			
Taxes and Shared Receipts:			
Delinquent Tax	<u>\$ 16</u>	<u>\$ -</u>	<u>\$ 16</u>
Total Receipts	<u>\$ 16</u>	<u><u>\$ -</u></u>	<u><u>\$ 16</u></u>
Expenditures:			
Economic Development	<u>\$ -</u>	<u>\$ 4,417</u>	<u>\$ (4,417)</u>
Total Expenditures	<u>\$ -</u>	<u><u>\$ 4,417</u></u>	<u><u>\$ (4,417)</u></u>
Receipts Over (Under) Expenditures	\$ 16		
Unencumbered Cash-Beginning	<u>1,475</u>		
Unencumbered Cash-End	<u><u>\$ 1,491</u></u>		

CITY OF BAXTER SPRINGS, KANSAS
Special Liability Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year ended December 31, 2015

	<u>Actual</u>
Receipts:	
Taxes and Shared Receipts:	
Delinquent Tax	<u>\$ 135</u>
Total Receipts	<u>\$ 135</u>
Expenditures:	
Insurance	<u>\$ 8,661</u>
Total Expenditures	<u>\$ 8,661</u>
Receipts Over (Under) Expenditures	\$ (8,526)
Unencumbered Cash-Beginning	<u>101,640</u>
Unencumbered Cash-End	<u><u>\$ 93,114</u></u>

CITY OF BAXTER SPRINGS, KANSAS
Municipal Equipment Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year ended December 31, 2015

	<u>Actual</u>
Receipts:	
Operating Transfers	\$ -
Interest	<u>-</u>
Total Receipts	<u>\$ -</u>
Expenditures:	
Capital Outlay	<u>\$ -</u>
Total Expenditures	<u>\$ -</u>
Receipts Over (Under) Expenditures	\$ -
Unencumbered Cash-Beginning	<u>4,250</u>
Unencumbered Cash-End	<u><u>\$ 4,250</u></u>

CITY OF BAXTER SPRINGS, KANSAS
Capital Improvement Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year ended December 31, 2015

	<u>Actual</u>
Receipts:	
Operating Transfers	<u>\$ -</u>
Total Receipts	<u>\$ -</u>
Expenditures:	
Capital Outlay	<u>\$ -</u>
Total Expenditures	<u>\$ -</u>
Receipts Over (Under) Expenditures	\$ -
Unencumbered Cash-Beginning	<u>50,199</u>
Unencumbered Cash-End	<u><u>\$ 50,199</u></u>

CITY OF BAXTER SPRINGS, KANSAS
Drug Forfeiture Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2015

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
Receipts:			
Intergovernmental Receipts	\$ -	\$ 500	\$ (500)
Total Receipts	<u>\$ -</u>	<u>\$ 500</u>	<u>\$ (500)</u>
Expenditures:			
Public Safety	\$ -	\$ 919	\$ (919)
Total Expenditures	<u>\$ -</u>	<u>\$ 919</u>	<u>\$ (919)</u>
Receipts Over (Under) Expenditures	\$ -		
Unencumbered Cash-Beginning	<u>419</u>		
Unencumbered Cash-End	<u>\$ 419</u>		

CITY OF BAXTER SPRINGS, KANSAS
Law Enforcement Grant Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year ended December 31, 2015

	<u>Actual</u>
Receipts:	
Local Law Enforcement Block Grant	<u>\$ -</u>
Total Receipts	<u>\$ -</u>
Expenditures:	
Operating Transfers	<u>\$ 1,334</u>
Total Expenditures	<u>\$ 1,334</u>
Receipts Over (Under) Expenditures	\$ (1,334)
Unencumbered Cash-Beginning	<u>1,334</u>
Unencumbered Cash-End	<u><u>\$ -</u></u>

CITY OF BAXTER SPRINGS, KANSAS
Employee Benefits Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2015

	Actual	Budget	Variance - Over (Under)
Receipts:			
Taxes and Shared Receipts:			
Ad Valorem Property Tax	\$ 387,694	\$ 397,805	\$ (10,111)
Delinquent Tax	23,705	10,000	13,705
Motor Vehicle Tax	58,039	54,215	3,824
Commercial Vehicle Tax	599	-	599
Watercraft Tax	394	-	394
Recreational Vehicle Tax	330	358	(28)
16/20 M Vehicle Tax	124	205	(81)
Total Receipts	<u>\$ 470,885</u>	<u>\$ 462,583</u>	<u>\$ 8,302</u>
Expenditures:			
General Government	\$ 410,067	\$ 513,345	\$ (103,278)
Total Expenditures	<u>\$ 410,067</u>	<u>\$ 513,345</u>	<u>\$ (103,278)</u>
Receipts Over (Under) Expenditures	\$ 60,818		
Unencumbered Cash-Beginning	<u>68,230</u>		
Unencumbered Cash-End	<u>\$ 129,048</u>		

CITY OF BAXTER SPRINGS, KANSAS
Refuse Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2015

	Actual	Budget	Variance - Over (Under)
Receipts:			
Charges For Services	\$ 225,045	\$ 250,000	\$ (24,955)
Total Receipts	<u>\$ 225,045</u>	<u>\$ 250,000</u>	<u>\$ (24,955)</u>
Expenditures:			
Personal Services	\$ -	\$ 22,000	\$ (22,000)
Sanitation	<u>216,886</u>	<u>250,000</u>	<u>(33,114)</u>
Total Expenditures	<u>\$ 216,886</u>	<u>\$ 272,000</u>	<u>\$ (55,114)</u>
Receipts Over (Under) Expenditures	\$ 8,159		
Unencumbered Cash-Beginning	<u>35,825</u>		
Unencumbered Cash-End	<u>\$ 43,984</u>		

CITY OF BAXTER SPRINGS, KANSAS
Special Parks and Recreation
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2015

	<u>Actual</u>
Receipts:	
Local Alcohol Liquor Tax	<u>\$ 42</u>
Total Receipts	<u>\$ 42</u>
Expenditures:	
Public Health	<u>\$ -</u>
Total Expenditures	<u>\$ -</u>
Receipts Over (Under) Expenditures	\$ 42
Unencumbered Cash-Beginning	<u>18</u>
Unencumbered Cash-End	<u><u>\$ 60</u></u>

CITY OF BAXTER SPRINGS, KANSAS
Disaster Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year ended December 31, 2015

	<u>Actual</u>
Receipts:	
Donations	<u>\$ 346</u>
Total Receipts	<u>\$ 346</u>
Expenditures:	
Public Works	<u>\$ -</u>
Total Expenditures	<u>\$ -</u>
Receipts Over (Under) Expenditures	\$ 346
Unencumbered Cash-Beginning	<u> -</u>
Unencumbered Cash-End	<u><u>\$ 346</u></u>

CITY OF BAXTER SPRINGS, KANSAS
Fire Ordinance 711 Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2015

	Actual	Budget	Variance - Over (Under)
Receipts:			
Insurance Proceeds	\$ 2,250	\$ 20,000	\$ (17,750)
Total Receipts	<u>\$ 2,250</u>	<u>\$ 20,000</u>	<u>\$ (17,750)</u>
Expenditures:			
Public Works	\$ 2,250	\$ 22,500	\$ (20,250)
Total Expenditures	<u>\$ 2,250</u>	<u>\$ 22,500</u>	<u>\$ (20,250)</u>
Receipts Over (Under) Expenditures	\$ -		
Unencumbered Cash-Beginning	<u>-</u>		
Unencumbered Cash-End	<u><u>\$ -</u></u>		

CITY OF BAXTER SPRINGS, KANSAS
 Memorial Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year ended December 31, 2015

	Actual	Budget	Variance - Over (Under)
Receipts:			
Donations	\$ 13,315	\$ -	\$ 13,315
Total Receipts	\$ 13,315	\$ -	\$ 13,315
Expenditures:			
Recreation	\$ 13,731	\$ 57,897	\$ (44,166)
Total Expenditures	\$ 13,731	\$ 57,897	\$ (44,166)
Receipts Over (Under) Expenditures	\$ (416)		
Unencumbered Cash-Beginning	592		
Unencumbered Cash-End	\$ 176		

CITY OF BAXTER SPRINGS, KANSAS

Debt Service Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year ended December 31, 2015

	Actual	Budget	Variance - Over (Under)
Receipts:			
Taxes and Shared Receipts:			
Ad Valorem Property Tax	\$ -	\$ -	\$ -
Delinquent Tax	1,421	3,000	(1,579)
Motor Vehicle Tax	3,207	2,982	225
Commercial Vehicle Tax	33	-	33
Watercraft Tax	22	-	22
Recreational Vehicle Tax	18	20	(2)
16/20 M Vehicle Tax	7	11	(4)
Interest	-	150	(150)
Operating Transfers	353,175	354,722	(1,547)
Total Receipts	<u>\$ 357,883</u>	<u>\$ 360,885</u>	<u>\$ (3,002)</u>
Expenditures:			
Principal	\$ 310,000	\$ 310,000	\$ -
Interest and Fees	43,721	44,722	(1,001)
Cash Basis Reserve	-	25,000	(25,000)
Total Expenditures	<u>\$ 353,721</u>	<u>\$ 379,722</u>	<u>\$ (26,001)</u>
Receipts Over (Under) Expenditures	\$ 4,162		
Unencumbered Cash-Beginning	<u>28,026</u>		
Unencumbered Cash-End	<u>\$ 32,188</u>		

CITY OF BAXTER SPRINGS, KANSAS

Water Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year ended December 31, 2015

	Actual	Budget	Variance - Over (Under)
Receipts:			
Charges for Services	\$ 800,600	\$ 1,000,000	\$ (199,400)
Interest	-	10	(10)
Sales Tax	13,269	20,000	(6,731)
Other	1,929	10,000	(8,071)
Total Receipts	<u>\$ 815,798</u>	<u>\$ 1,030,010</u>	<u>\$ (214,212)</u>
Expenditures:			
Personal Services	\$ 396,569	\$ 370,000	\$ 26,569
Contractual Services	79,200	100,000	(20,800)
Commodities	204,898	350,000	(145,102)
Other	1,265	-	1,265
Water Protection Fee	7,149	10,000	(2,851)
Capital Outlay	32,739	20,000	12,739
Sales Tax	13,565	20,000	(6,435)
Administrative	-	5,000	(5,000)
Maintenance	3,629	50,000	(46,371)
Operating Transfers	207,756	209,303	(1,547)
Total Expenditures	<u>\$ 946,770</u>	<u>\$ 1,134,303</u>	<u>\$ (187,533)</u>
Receipts Over (Under) Expenditures	\$ (130,972)		
Unencumbered Cash-Beginning	<u>76,793</u>		
Unencumbered Cash-End	<u>\$ (54,179)</u>		

CITY OF BAXTER SPRINGS, KANSAS

Sewer Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year ended December 31, 2015

	Actual	Budget	Variance - Over (Under)
Receipts:			
Charges for Services	\$ 426,628	\$ 545,000	\$ (118,372)
Total Receipts	<u>\$ 426,628</u>	<u>\$ 545,000</u>	<u>\$ (118,372)</u>
Expenditures:			
Personal Services	\$ 99,816	\$ 98,000	\$ 1,816
Contractual Services	34,137	46,125	(11,988)
Commodities	87,016	105,716	(18,700)
KDHE Loan Payment	41,341	41,341	-
Other	2,339	-	2,339
Administrative	-	12,000	(12,000)
Maintenance	8,117	50,000	(41,883)
Capital Outlay	4,210	225,000	(220,790)
Total Expenditures	<u>\$ 276,976</u>	<u>\$ 578,182</u>	<u>\$ (301,206)</u>
Receipts Over (Under) Expenditures	\$ 149,652		
Unencumbered Cash-Beginning	<u>1,253,363</u>		
Unencumbered Cash-End	<u>\$ 1,403,015</u>		

CITY OF BAXTER SPRINGS, KANSAS
Cable Television Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2015

	Actual	Budget	Variance - Over (Under)
Receipts:			
Charges for Services	\$ 846,851	\$ 950,000	\$ (103,149)
Sales Tax	793	1,800	(1,007)
Interest	4,152	18	4,134
Other	-	1,500	(1,500)
	<u> </u>	<u> </u>	<u> </u>
Total Receipts	<u>\$ 851,796</u>	<u>\$ 953,318</u>	<u>\$ (101,522)</u>
Expenditures:			
Personal Services	\$ 103,525	\$ 95,000	\$ 8,525
Contractual Services	622,024	540,000	82,024
Commodities	46,338	60,000	(13,662)
Other	867	5,000	(4,133)
Sales Tax	54,569	1,600	52,969
Administrative	-	47,200	(47,200)
Capital Outlay	2,000	2,000	-
Maintenance	34,469	17,500	16,969
Operating Transfers	145,419	145,419	-
	<u> </u>	<u> </u>	<u> </u>
Total Expenditures	<u>\$ 1,009,211</u>	<u>\$ 913,719</u>	<u>\$ 95,492</u>
Receipts Over (Under) Expenditures	\$ (157,415)		
Unencumbered Cash-Beginning	<u>(353,325)</u>		
Unencumbered Cash-End	<u>\$ (510,740)</u>		

CITY OF BAXTER SPRINGS, KANSAS
Cemetery Perpetual Care Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year ended December 31, 2015

	<u>Actual</u>
Receipts:	
Sale of Cemetery Lots	<u>\$ 234</u>
Total Receipts	<u>\$ 234</u>
Expenditures:	
Public Works	<u>\$ -</u>
Total Expenditures	<u>\$ -</u>
Receipts Over (Under) Expenditures	\$ 234
Unencumbered Cash-Beginning	<u>64,160</u>
Unencumbered Cash-End	<u><u>\$ 64,394</u></u>